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CENTRAL INTELLIGENCE AGENCY OFFICE OF NATIONAL ESTIMATES

7 August 1964

MEMORANDUM FOR THE DIRECTOR

SUBJECT: Possible Communist Reactions to the US Retaliatory Strike

- 1. The failure of Hanoi and Peiping to make a quick and specific reaction (other than verbal) to the US strike of 5 August indicates that they had not expected such a strike or prepared a response to it. Had they planned to use the US strike as an excuse for quick offensive action, we would almost certainly have had some indications of offensive preparation by now. So far, what has gone on in China and North Vietnam is an essentially defensive redeployment, and is still, as of now, on a small scale.
- 2. While we believe that the Communists will take some forceful actions which can be read as retaliation to the US strike, we do not believe these will be of such a nature as to invite further direct US military action against North Vietnam (or China). Thus, we believe at present that US forces in the

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Tonkin Gulf will not be attached, that Chinese Communist or DRV forces will not openly invade or attack Laos or South Vietnam, and that Chinese submarines will not attack US fleet units in international waters -- though none of these actions can be ruled out.

- 3. It is possible that Chinese and DRV leaders, partly misled by their ideological preconceptions, may be reading the US air strikes followed by a large and rapid concentration of US military strength in the area as clear evidence that the US and the GVN are about to launch a major attack on the DRV. If this is the case, there may be a larger buildup than would otherwise occur, thus increasing tensions in the area.
- 4. Communist China. Peiping is not formulating its reactions in a vacuum. The Chinese have surely been watching world reactions to the Tonkin Gulf incident. They have probably been disappointed by the amount of support for the US action and infuriated by Moscow's response. The US action against North Vietnam has not distracted the Chinese from their struggle for leadership of the Communist world. Peiping will almost certainly exploit the Vietnam crisis in an effort to make points in its competition with Moscow. Peiping will claim that while the Soviets cringed under US threats, the Chinese gave real help to a

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beleaguered fraternal country. This factor will reinforce an already strong Chinese tendency to bolster the defensive capabilities of the DRV and maintain a buffer below the Chinese border. We do not believe that this will go beyond supplying fighter aircraft, AA equipment, appropriate technicians, and limited numbers of guard forces for Chinese-operated installations. The Chinese might also aid the DRV in restoring the facilities and equipment destroyed in the US raid.

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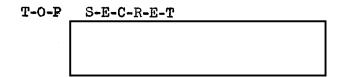
6. What the DRV needs least is ordinary troops, and the North Vietnamese, except in the most desperate circumstances, would not welcome a large Chinese presence in their country. For these reasons and because we believe Peiping wants to avoid precipitating a major war, we consider it unlikely that substantial numbers of Chinese troop units will cross into North Vietnam or laos or that the Chinese will undertake offensive operations against US forces or South Vietnamese territory. It is probable, however, that Chinese Communist ground forces will be maneuvered near the Vietnam and Laos borders in a deliberately conspicuous

manner.

7. North Vietnam (DRV). The DRV is likely to respond by ordering some spectacular reprisal acts by the VC in South Vietnam. One tempting target would be the POL facilities at Nha Be (just outside of Saigon). Should the VC be more venturesome, they might mount a large-scale attack on one or more South Vietnamese airfields extensively used by US forces (e.g., Tan Son Nhut Saigon), Bien Hea or Danang). Some sabotage efforts are almost certain to be targetted against these fields. The VC may also increase terrorist activities against US personnel as a direct form of vengeance for the US strikes against North Vietnam. However, we doubt that the overall scale of the war in South Vietnam will be

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materially altered, especially since Hanoi and Peiping may now be worried about the prospect of major escalation. If so, they will probably avoid excessively provocative actions and, for a while, concentrate on improving their defensive capabilities and talking tough.

8. The Political Front. The propaganda and political reaction of Peiping and Hanoi has so far not emphasized calls for an international conference. This may come later; or they may prefer to avoid the sounds of weakness and to let the USSR, France, and others take the lead in pushing for a new Geneva while the maneuvers of Hanoi and Peiping dramatize the danger that the crisis might develop into a major war.

FOR THE BOARD OF NATIONAL ESTIMATES:

ABEOT SMITH
Acting Chairman

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